

§ 1753.29

(b) The borrower shall prepare construction contract amendments on RUS Contract Form 238, Construction or Equipment Contract Amendments. See 7 CFR 1755.93 to obtain copies of Form 238.

§ 1753.29 Force account procedures.

(a) The borrower must obtain RUS approval of the force account method of construction of buildings in advance in order to obtain RUS financing.

(b) The borrower shall prepare the P&S in accordance with § 1753.26.

(c) Prior to any construction activity or the purchase of materials or equipment, the borrower shall submit the FAP in duplicate to RUS, accompanied by a resolution indicating approval of the board of directors of the borrower or a letter signed by an authorized corporate official. The proposal shall include:

(1) A Copy of the P&S.

(2) An itemized list of all items of materials required for construction.

(3) A construction schedule showing the estimated construction period for each major construction item.

(4) An estimate of the material and labor and other costs for any construction item not provided for in the approved loan.

(d) Force Account construction to be financed with loan funds shall not be started until RUS approval has been received by the borrower.

[54 FR 39267, Sept. 25, 1989. Redesignated at 55 FR 39396, Sept. 27, 1990, and amended at 59 FR 43717, Aug. 25, 1994]

§ 1753.30 Closeout procedures.

(a) This section outlines the procedure to be followed to close out RUS Contract Form 257 (Contract to Construct Buildings) and construction or rehabilitation performed by the force account method.

(b) *RUS Form 257 contract.* (1) Whenever changes were made in the plans and specifications which did not require an amendment under conditions set forth in § 1753.11 a final contract amendment showing the changes shall be prepared and submitted to RUS with the closeout documents.

(2) Immediately after completion of contract construction, including clean-up, the borrower shall:

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(i) Arrange with its architect or engineer, contractor, and the GFR for final inspection of the project.

(ii) Furnish the contractor a summary of corrections or additions required to complete the project in accordance with the plans and specifications and the contract, and any contract amendments required to cover the corrections or additions.

(iii) Arrange, upon completion of the corrections by the contractor, to have its engineer prepare or obtain the documents listed in appendix A which are required for closeout of contract construction.

(iv) Make distribution of the completed documents as indicated in appendix A.

(c) Upon completion of force account construction, the borrower shall:

(1) Arrange with its architect or engineer and the GFR for final inspection of the project.

(2) Complete, with the assistance of its architect or engineer, the documents listed in appendix A of this part that are required for the closeout of force account construction.

(3) Make distribution of the completed documents as indicated in appendix A.

(d) Final payment shall not be made until RUS has approved the closeout documents.

[54 FR 39267, Sept. 25, 1989. Redesignated at 55 FR 39396, Sept. 27, 1990, and amended at 59 FR 43717, Aug. 25, 1994]

§§ 1753.31–1753.35 [Reserved]

Subpart E—Purchase and Installation of Central Office Equipment

SOURCE: 54 FR 39267, Sept. 25, 1989, unless otherwise noted. Redesignated at 55 FR 39397, Sept. 27, 1990.

§ 1753.36 General.

(a) This subpart implements and explains the provisions of the Loan Documents setting forth the requirements and the procedures to be followed by borrowers in purchasing and installing central office equipment financed with loan funds.